

**PROPERTY ASSESSMENT APPEAL BOARD**  
**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER**

PAAB Docket No. 2019-043-10077R

Parcel No. 560002176800000

**Kelli Tilbury,**

Appellant,

vs.

**Harrison County Board of Review,**

Appellee.

**Introduction**

This appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on February 10, 2020. Kelli Tilbury was self-represented. Attorney Brett Ryan represented the Harrison County Board of Review.

Kelli Tilbury owns a residential property located at 303 N Main Street, Modale, Iowa. The property's January 1, 2019, assessment was set at \$94,386. (Ex. C).

Tilbury petitioned the Board of Review contending there was an error in the assessment. Iowa Code § 441.37(1)(a)(4) (2019). The Board of Review changed the style listed on the subject property and reduced the assessment to \$83,018, allocated as \$8,619 in land value and \$74,399 in dwelling value. (Exs. A & C).

Tilbury appealed to PAAB asserting that her property is inequitably assessed and over assessed. Iowa Code §441.37(1)(a)(1 & 2). It appears that the crux of her appeal concerns the market value of her property, and this is the claim PAAB will consider on appeal.

## **General Principles of Assessment Law**

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code Rule 701-126.2(2-4). New or additional evidence may be introduced. *Id.* PAAB considers the record as a whole and all of the evidence regardless of who introduced it. §441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted).

## **Findings of Fact**

The subject property is a doublewide manufactured home built in 1989. It has 1440 square feet of gross living area (GLA); a deck with a lattice roof; and an attached, one-stall garage. It is listed in normal condition with good-quality construction (3+00 grade). The Assessor's Office applied 30% physical depreciation to the home in the assessment. The site is 0.579 acres. (Ex. A).

Tilbury testified she bought the home from her father who had purchased it for \$46,500. We note the property transferred in May 2017 by a quit-claim deed for \$0. (Exs. A & F). She believes the home has depreciated in value and will continue to lose value. In her opinion, the home is in poor repair and is "literally coming apart at the seams." She testified the roof was repaired after a hail storm, but otherwise no remodeling or updates have occurred. The property record card confirms Tilbury's

testimony and notes the subject has some uneven floors, and the windows, kitchen, and bath are original. (Ex. A, p. 4).

Tilbury offered no evidence of the subject property's correct value.

Harrison County Assessor Brenda Loftus testified the Board of Review corrected the subject property's design style from a one-story frame to a manufactured home resulting in a reduction in the assessment. Loftus testified the Assessor's Office physically inspected the interior and exterior of the subject property in 2017.

She further testified concerning the residential re-evaluation in 2019 noting an equalization study for 2018 resulted in a sales ratio of 0.84. This ratio indicated residential properties were being assessed for less than their actual market value.

The Board of Review submitted five double-wide manufactured home sales in Harrison County, which transferred in 2018. The properties are summarized in the following table. (Ex. E).

Comparable – Address	Grade	Age	Gross Living Area (SF)	Sale Price	Adjusted Sale Price	Assessed value	Ratio
Subject	3+00	30	1440	NA	NA	\$83,018	NA
1 – 3004 West View Cir, Mo Valley	4+10	23	1512	\$95,845	\$85,262	\$93,221	0.97
2 – 3050 250th St, Logan	4+00	23	1512	\$125,000	\$68,035	\$140,603	1.12
3 – 2379 260th St, Logan	4+00	23	1296	\$147,500	\$71,552	\$157,448	1.07
4 – 85 Vine St, Little Sioux	4+10	19	2304	\$80,000	\$85,649	\$87,002	1.09
5 – 2596 Rice Ave, Logan	4+00	23	1188	\$154,900	\$80,018	\$154,700	1.00

The Board of Review's sales were adjusted for differences between them and the subject using a computer software program. The largest adjustments were made for differences in site size, physical depreciation, and quality of construction (grade factor). We note Tilbury's home is the oldest but has a higher grade than the comparables.

Tilbury was critical of the sales based on the locational differences. There were no sales of manufactured homes in Modale. Loftus explained the location/map factor was considered in arriving at the adjusted sale prices. With the exception of Sale 4, all of the comparables are rated as having superior map factors (location) and therefore were adjusted downward in comparison to the subject. (Ex. E).

The adjusted sales prices ranged from \$68,035 to \$85,649. While the subject's assessed value is within this range, we note it is on the higher end. This is likely because it has a higher grade than the Board of Review's comparable properties. As shown by the adjustments made to the comparables, a one grade difference can impact an assessment by more than \$20,000. (Ex. E).

At PAAB's request, the Board of Review submitted the Harrison County Manufactured Home depreciation table, which verifies the use of 30% depreciation on a 30-year old manufactured home in normal condition. (Ex G.). We note this figure is substantially lower than the depreciation guide found in the 2008 IOWA REAL PROPERTY APPRAISAL MANUAL, which suggests a depreciation factor of 70% for a 30-year old manufactured home in normal condition. MANUAL at 7-32 *available at* <https://paab.iowa.gov/sites/default/files/documents/2020/01/7residentialsection.pdf>. We also note the MANUAL provides manufactured homes built with vinyl lap siding would typically be assigned a grade 4+00 unless further enhancements warrant an increase. MANUAL at 7-31. The MANUAL also provides pictures of manufactured homes at different grade levels. We note the photograph of the subject is similar to the MANUAL's pictures of Grade 4 manufactured homes. MANUAL at 7-34 .

### **Analysis & Conclusions of Law**

Tilbury contends the subject property is over assessed. She bears the burden of proof.

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2), the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 780 (Iowa 2009) (citation omitted).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. § 441.21(1)(b). Market value essentially is defined as the value established in an arm's-length sale of the property. *Id.* The sales comparison method is the preferred method for valuing property

under Iowa law. *Compiano*, 771 N.W.2d at 398; *Soifer*, 759 N.W.2d at 779; *Heritage Cablevision v. Bd. of Review of Mason City*, 457 N.W.2d 594, 597 (Iowa 1990).

Tilbury asserts her home has depreciated in value and its condition should warrant a lower assessment. However, she did not provide any evidence of the property's January 1, 2019 value such as comparable sales, an appraisal, or a Comparable Market Analysis (CMA), which is typical evidence to support a claim of over assessment. Accordingly, Tilbury did not meet her burden of proof.

The Board of Review submitted comparable sales of manufactured homes, which were adjusted to account for differences between them and the subject property. While these properties were all newer, were in different towns, many with larger sites, and lower quality grades, they are the only evidence in the record demonstrating the value of similar homes in similar markets. We note the assessed value to sale price ratios of their comparables ranged from 0.97 to 1.12 and a median of 1.07, suggesting a trend toward over assessment of such properties.

Additionally, we question whether the subject's grade is appropriate, but we cannot conclusively determine it is incorrect and causes the property to be over assessed. Therefore, we recommend the Assessor consider whether another inspection prior to the next assessment cycle would be beneficial to verify the grade and amount of depreciation have been correctly applied to Tilbury's home.

Viewing the record as a whole, we find Tilbury failed to show her property is over assessed.

## **Order**

PAAB HEREBY AFFIRMS the Harrison County Board of Review's action.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A.

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB

administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order<sup>1</sup> and comply with the requirements of Iowa Code section 441.37B and Chapter 17A.19 (2019).



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Karen Oberman, Board Member



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Dennis Loll, Board Member



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Elizabeth Goodman, Board Member

Copies to:

Kelli Tilbury  
303 N. Main St.  
Modale, IA 51556

Harrison County Board of Review by eFile

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<sup>1</sup> Due to the State Public Health Disaster Emergency caused by the coronavirus (COVID-19), the deadline for filing a judicial review action may be tolled pursuant to orders from the Iowa Supreme Court. Please visit the Iowa Judicial Branch website at <https://www.iowacourts.gov/iowa-courts/supreme-court/orders/> for the most recent Iowa Supreme Court orders.